

According to the certification letter submitted by the sponsor, the commission will receive Federal funding to establish the Technology Revolving Loan Fund.

According to the Web site, the commission is a public agency dedicated to providing professional services to local governments. These services include economic development, geographic information systems, intergovernmental cooperation, land use planning, and transportation. The commission's funding comes from Federal grants and State and local money.

This earmark brings up a lot of questions. First and foremost, why is this fund being created in one particular part of Wisconsin? I'm sure every Member of Congress would love to establish a revolving loan fund to help their local businesses. If it is deserving of Federal aid, why aren't others? Again, why do we pick and choose here?

Can the sponsor of this earmark assure us that once this is done, that once these monies are loaned out, that more monies won't be sought? Is this an earmark that will beget more earmarks? It seems that these are questions that should be answered. It's a dangerous slippery slope, I think, if we use Federal taxpayer dollars for parochial revolving loan funds.

With that, Mr. Chairman, I reserve the balance of my time.

Mr. OBEY. Mr. Chairman, I seek to control the time in opposition, and I reserve my time.

Mr. FLAKE. Mr. Chairman, here is just another example, and maybe the sponsor of the earmark can enlighten us, but as to what makes this different, what makes this deserving of Federal funds? Why are we helping to set up a local revolving loan fund for local businesses? What is to stop every Member of Congress from wanting that in their own district? Isn't this a slippery slope if we just allow taxpayer money to be used in this fashion? If you can use it for economic development, if that is the criterion, any spending is justified.

Mr. Chairman, I yield back the balance of my time.

Mr. OBEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as the gentleman has indicated, this provides funds for a revolving loan fund for North Central Regional Planning Commission. The purpose is to provide small low-interest loans for small business start-ups or expansions. It is targeted to enterprises which have little access to capital and need to change the technology which they use in production.

The planning commission is established by county governments under State statutory authority. It provides zoning and economic development assistance to counties. The planning commission covers a 10-county area and three congressional districts, mine, the gentleman from the eighth, Mr. KAGEN, formerly Mr. GREEN, and also Mr. PETRI's district.

Why are we providing funds for this area? Very simple: this is an economi-

cally challenged area. And I make no apology whatsoever in trying to provide some modest assistance to the area. We have a similar fund in two other parts of my congressional district. In Chippewa County, for instance, 3 years ago we established a similar fund.

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That fund has saved 58 jobs in the area. They have provided grants, very small grants, to businesses in question, and they have already received \$200,000 in repayments. All of the repayments are current.

But I want to ask a series of questions about the gentleman's district. I make no apology for trying to provide small loans to domestic small business entrepreneurs. In the 10 years that I chaired the Foreign Operations Subcommittee, I learned very quickly the value of small loans rather than large, megadevelopment projects. I see no reason why we shouldn't provide those same lessons here at home.

I find it ironic that someone from Arizona would challenge economic development funds in Wisconsin. Arizona ranks 24th in the Nation in per capita Federal dollars spent in Arizona; Wisconsin ranks 48th. So the gentleman is exactly twice as well off in terms of State ranking than my own State. Arizona receives \$41 billion in Federal funds out of the budget; my State receives \$31 billion. Arizona receives \$7,300 per person; Wisconsin receives \$5,675 per person. That is a \$1,600 per capita difference.

Eighty-five percent of the difference in what our two States get is due to differences in Federal salaries and in procurement. Arizona gets \$7 billion more out of the Federal Government because of money spent for procurement than does the State of Wisconsin. In fact, Arizona gets a lot more money than all of the States in the upper Midwest. Arizona, as I said, ranks 24th. Wisconsin ranks 48th in per capita expenditure, Michigan ranks 47th, Minnesota 49th, Illinois 46th, Indiana 45th.

On a per capita basis, Arizona gets 28 percent more out of the Federal budget than does Wisconsin. It gets 22 percent more per capita than does Michigan, 29 percent more than does Minnesota, 21 percent more than does Illinois, and 20 percent more than does Indiana.

Let me also point out that I doubt very much that the Arizona delegation doesn't work very hard to see to it that giant defense contractors like Raytheon, Boeing, Honeywell and General Dynamics together receive almost \$4 billion in funding from the Federal Government. I doubt very much that the delegations from those States don't work to get that money in their States. So I make no apology for this tiny pittance that we are trying to provide for my own State.

Mr. Chairman, I also want to say, however, I think it comes with considerable ill grace for someone from Arizona to question the expenditure of

\$400,000 in Wisconsin, when Arizona has been the principal recipient of the second largest Federal earmark in the history of earmarking in this country, the Central Arizona Project. For Arizona, we have already spent \$4.3 billion. The total cost of that project is expected to be \$5.6 billion. The President's request is at \$27 million this year.

Mr. Chairman, that seems to me to be the pot calling the kettle black. I would urge a "no" vote on this amendment.

The Acting CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona (Mr. FLAKE).

The question was taken; and the Acting Chairman announced that the ayes appeared to have it.

Mr. OBEY. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Arizona will be postponed.

Mr. OBEY. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman from Wisconsin is recognized for 5 minutes.

Mr. OBEY. Mr. Chairman, I want to continue my observations about what the gentleman receives from the Federal budget. The Republican Study Committee said that the \$1.5 billion that was provided to the D.C. subway was the largest earmark in history. In fact, the Arizona project is almost four times as large as the D.C. subway. Yet the gentleman is complaining about a tiny \$400,000 economic assistance grant for my State.

I would also simply note that the median household income in the gentleman's district is \$48,000. The median household income in my own district is \$39,000, a \$9,000 difference. A good portion of that higher median income lies in the fact that Arizona has a very large number of Federal installations in the gentleman's State. Fort Huachuca and several other Air Force bases inject enough funds to provide employment for 9,000 additional people, yet the gentleman is objecting to a small revolving loan fund which provides help in keeping about 50 jobs in Wisconsin.

I make no apology in trying to get the median family income in my district just a mite closer to the much higher income found in the gentleman's district.

Mr. Chairman, I yield back the balance of my time.

Mr. OLVER. Mr. Chairman, I move to strike the last word.

The Acting CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. OLVER. Mr. Chairman, I yield for a colloquy to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, I want to thank the gentleman from Massachusetts, the chairman of the subcommittee, for this colloquy.